



United States Attorney District of New Jersey

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EAST BRUNSWICK, N.J., MAN SENTENCED TO PRISON FOR DEFRAUDING FEDERAL HEALTH INSURANCE PLAN WITH FAKE CLAIMS FOR OVERSEAS TREATMENT

NEWARK, N.J. – A retired federal employee was sentenced today to 23 months in prison in connection with an eight-year scheme in which he was reimbursed for fake claims for overseas medical treatment, United States Attorney Paul J. Fishman announced.

Fawzi Saleh, 70, of East Brunswick, N.J., in Middlesex County, previously pleaded guilty to a count of defrauding a health care benefits program. Saleh entered his guilty plea before United States Magistrate Judge Patty Schwartz, who recommended to United States District Judge Faith S. Hochberg that Saleh's plea of guilty be accepted and entered. Judge Hochberg also imposed the sentence today in Newark federal court.

According to the Information to which Saleh pleaded guilty, other documents filed in this case and statements made in court:

From July 1995 until his retirement in January 2008, Saleh was employed at the Veterans Administration Medical Center in East Orange, N.J. He began his employment as a Program Support Clerk, and held the position of Financial Accounts Technician when he retired. Saleh and his wife subscribed to the Federal Employees Health Benefits Program ("FEHBP"), a health care benefits program offered to federal employees and their families. Under the program, they received health insurance coverage from Blue Cross Blue Shield ("BCBS").

Saleh admitted that from June 2001 through June 2009, he submitted numerous false claims to FEHBP for medical expenses that he and his wife had purportedly incurred while in Egypt. In those claims, Saleh alleged that he and his wife had received medical care at a hospital in Cairo on numerous occasions between June 2000 and October 2008, when they had not.

The fraudulent claims alleged, among other things, that Saleh had a right inguinal hernia repair and other medical procedures at "MIS Hospital" – a hospital which does not actually exist, according to the government's investigation.

Saleh attached false and fraudulent supporting documents to his claims that purported to be invoices and reports from the hospital in Egypt where he had allegedly paid for treatment in cash. He then received checks from BCBS that reimbursed him tens of thousands of dollars for portions of the purported expenses.

In addition to the prison term, Judge Hochberg imposed two years of supervised release and a \$10,000 fine. Judge Hochberg also ordered Saleh to pay restitution in the amount of \$253,727.

U.S. Attorney Fishman credited special agents with the FBI, under the direction of Special Agent in Charge Michael B. Ward, in Newark; the Office of Personnel Management, Office of the Inspector General, under the direction of Special Agent in Charge Drew Grimm; and the U.S. Department of Veterans Affairs, Office of Inspector General, Office of Investigations, Northeast Field Office, under the direction of Special Agent in Charge Jeffrey Hughes, for their investigation of the case.

The government is represented by Assistant U.S. Attorneys Christine Magdo and Lorraine Gerson of the U.S. Attorney's Office Economic Crimes Unit in Newark.

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Defense counsel: Robert Thuring, Esq., Spotswood, N.J.